GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:90
ANSWERED ON:28.07.2000
INVESTMENTS BY NRIS
BHAWANA GAWALI (PATIL)

Will the Minister of FINANCE be pleased to state:

(a) the details of total investments made in terms of rupees by NRIs during each of the last three years and till date; and

(b) the steps taken by the Government to promote investments by the NRIs?

Answer

FINANCE MINISTER (SHRI YASHWANT SINHA)

(a) & (b) : A statement is laid on the Table of the House.

Statement referred to in reply to the Lok Sabha Starred Question No.90 for 28-07-2000 by KUMARI BHAVANA PUNDLIKRAO GAWALI on `Investments by NRIs`.

(a) & (b) : The total investments made by the Non-Resident Indians (NRIs) during the last three years through various investment schemes are as follows :

(In Rupees Crores)

	1997-98	1998-99 (Provisional)	1999-2000 (April-May) (Provisional)	2000-2001
(1) NRI direct Investment Schemes	878.35	356.03	448.91	49.65
(2) Portfolio Investment (net position)	359.90	(-)5.67	(-)684.63	(-)1223.19
(3) Resurgent India Bonds	-	18000.00		

Policies and Procedures governing Foreign Direct Investment (FDI)/NRI investments are streamlined/simplified from time to time to create a more favourable investment environment for NRIs, which include,

(i) higher Foreign Direct Investment (FDI) limits in sectors having sectoral caps, such as Air-taxi operations and private sector banks,

(ii) investment upto 100% in the Housing and Real Estate Sector, which is not otherwise open for FDI, and

(iii) increase in individual secondary market investment limit in a company from 1% to 5% and aggregate investment in a company by all NRIs from 5% to 10%, which will be exclusive and separate from Foreign Institutional Investor (FII) investment ceilings to avoid crowding out NRIs by FIIs.